

Chapter 43.162 of the Revised Code of Washington (RCW)  
**ECONOMIC DEVELOPMENT COMMISSION**

[Chapter Listing](#)

RCW Sections

[43.162.005](#) Findings -- Intent.

[43.162.010](#) Washington state economic development commission -- Membership -- Policies and procedures.

[43.162.012](#) "Commission" defined.

[43.162.015](#) Executive director.

[43.162.020](#) Duties -- Biennial comprehensive statewide economic development strategy -- Report -- Biennial budget request -- Memorandum of understanding -- Performance evaluation -- Gifts, grants, donations.

[43.162.025](#) Additional authority.

[43.162.030](#) Authority of governor and department of commerce not affected.

[43.162.040](#) Washington state economic development commission account.

---

43.162.005

Findings — Intent.

(1) The legislature finds that in order to achieve long-term global competitiveness, prosperity, and economic opportunity for all the state's citizens, Washington state must become the most attractive, creative, and fertile investment environment for innovation in the world.

(2) The legislature finds that the state must take a strategic approach to fostering an innovation economy, and that success will be driven by public and private sector leaders who are committed to developing and advocating a shared vision and collaborating across organizational and geographic boundaries. The legislature therefore intends to create an economic development commission that will provide planning, coordination, evaluation, monitoring, and policy analysis and development for the state economic development system as a whole, and advice to the governor and legislature concerning the state economic development system.

[2011 c 311 § 1; 2007 c 232 § 1; 2003 c 235 § 1.]

---

43.162.010

Washington state economic development commission — Membership — Policies and procedures.

(1) The Washington state economic development commission is established to assist the governor and legislature by providing leadership, direction, and guidance on a long-term and systematic approach to economic development that will result in enduring global competitiveness, prosperity, and economic opportunity for all the state's citizens.

(2)(a) The commission consists of twenty-four members. Fifteen of the members must be voting members appointed by the governor as follows: Eight representatives of the private sector, one representative of labor from east of the crest of the Cascade mountains and one representative of labor from west of the crest of the Cascade mountains, one representative of port districts, one representative of four-year state public higher education, one representative of state community or technical colleges, one representative with expertise in international trade, and one representative of associate development organizations. The director of the department of commerce, the director of the workforce training and education coordinating board, the commissioner of the employment security department, the secretary of the department of transportation, the director of the department of agriculture, and the chairs and ranking minority members of the standing committees of the house of representatives and the senate overseeing economic development policies must serve as nonvoting ex officio members.

(b) Members may not designate alternates, substitutes, or surrogates. However, members may participate in a meeting by conference telephone or similar communications equipment so that all persons participating in the meeting can hear each other at the same time. Participation by that method constitutes presence in person at a meeting.

(c) The chair of the commission must be a private sector voting member selected by the governor with the consent of the senate, and shall serve at the pleasure of the governor. A vice chair must be elected by members of the commission but may not be the director of an executive branch agency or a member of the legislature. The vice chair must exercise the duties of the commission chair in his or her absence.

(d) In making the appointments, the governor must consult with the commission and with organizations that have an interest in economic development, including, but not limited to, industry associations, labor organizations, minority business associations, economic development councils, chambers of commerce, port associations, tribes, and the chairs of the legislative committees with jurisdiction over economic development.

(e) The members must be representative of the geographic regions of the state, including eastern and central Washington, as well as represent the ethnic diversity of the state. Private sector members must represent existing and emerging industries, small businesses, women-owned businesses, and minority-owned businesses. Members of the commission must serve statewide interests while preserving their diverse perspectives, and must be recognized leaders in their fields with demonstrated experience in economic development, innovation, or disciplines related to economic development.

(3) Members appointed by the governor serve at the pleasure of the governor for not more than two consecutive three-year terms, except that, as determined by the governor, the terms of four of the appointees on the commission on July 22, 2011, expire in 2012, the terms of four of the appointees on the commission on July 22, 2011, expire in 2013, and the terms of three of the appointees on the commission on July 22, 2011, expire in 2014. Thereafter all terms are for three years. Vacancies must be filled in the same manner as the original appointments.

(4) The commission may establish committees as it desires, and may invite nonmembers of the commission to serve as committee members.

(5) The executive director of the commission must be appointed by the governor with the consent of the

commission. The salary of the executive director must be set by the governor with the consent of the commission. The governor may dismiss the executive director only with the approval of a majority vote of the commission. The commission, by a majority vote, may dismiss the executive director with the approval of the governor. The commission must evaluate the performance of the executive director in a manner consistent with the process used by the governor to evaluate the performance of agency directors.

(6) The commission may adopt policies and procedures for its own governance.

[2011 c 311 § 2; 2007 c 232 § 2; 2003 c 235 § 2.]

---

43.162.012

"Commission" defined.

For the purposes of this chapter, unless the context clearly requires otherwise, "commission" means the Washington state economic development commission created under \*RCW [43.162.005](#).

[2011 c 311 § 3.]

**Notes:**

**\*Reviser's note:** The Washington state economic development commission is created in RCW [43.162.010](#).

---

43.162.015

Executive director.

(1) The executive director of the commission must serve as its chief executive officer. Subject to available resources and in accordance with commission direction, the executive director must:

(a) Administer the provisions of this chapter, employ such personnel as may be necessary to implement the purposes of this chapter, utilize staff of existing operating agencies to the fullest extent possible, and employ outside consulting and service agencies when appropriate;

(b) Appoint necessary staff who are exempt from the provisions of chapter [41.06](#) RCW. The executive director's appointees serve at the executive director's pleasure on such terms and conditions as the executive director determines but subject to chapter [42.52](#) RCW.

The executive director shall, subject to the availability of funds for this purpose, implement a hiring process for a research manager responsible for managing the data collection, database, and evaluation functions under RCW [43.162.020](#) and [43.162.025](#). By October 1, 2011, the executive director must make a recommendation to the commission on a qualified candidate to fill the research manager position. The

commission is responsible for making the final decision on hiring the research manager;

(c) Appoint employees who are subject to the provisions of chapter [41.06](#) RCW; and

(d) Contract with additional persons who have specific technical expertise if needed to carry out a specific, time-limited project.

(2) The executive director must exercise additional authority, other than rule making, as may be delegated by the commission.

(3) The executive director must develop for commission review and approval an annual commission budget and work plan in accordance with the omnibus appropriations bill approved by the legislature, and must present a fiscal report to the commission quarterly for its review and comment.

(4) The executive director of the commission must report solely to the governor and the commissioners on matters pertaining to commission operations.

[2011 c 311 § 4; 2007 c 232 § 3.]

---

#### 43.162.020

Duties — Biennial comprehensive statewide economic development strategy — Report — Biennial budget request — Memorandum of understanding — Performance evaluation — Gifts, grants, donations.

(1) The commission must concentrate its major efforts on strategic planning, policy research and analysis, advocacy, evaluation, and promoting coordination and collaboration.

(2) During each regular legislative session, the commission must consult with appropriate legislative committees about the state's economic development needs and opportunities.

(3)(a) By October 1st of each even-numbered year, the commission must submit to the governor and legislature a biennial comprehensive statewide economic development strategy with a report on progress from the previous comprehensive strategy.

(b) The comprehensive statewide economic development strategy must include the industry clusters in the state and the strategic clusters targeted by the commission for economic development efforts. The commission must consult with the workforce training and education coordinating board and include labor market and economic information by the employment security department in developing the list of clusters and strategic clusters that meet the criteria identified by the working group convened by the economic development commission and the workforce training and education coordinating board under chapter [43.330](#) RCW.

(4)(a) In developing the comprehensive statewide economic development strategy, the commission must use, but may not be limited to: Economic, labor market, and populations trend reports in office of financial management forecasts; the annual state economic climate report prepared by the economic climate council; joint office of financial management and employment security department labor force, industry employment, and occupational forecasts; the results of scientifically based outcome

evaluations; the needs of industry associations, industry clusters, businesses, and employees as evidenced in formal surveys and other input.

(b) The comprehensive statewide economic development strategy may include:

(i) An assessment of the state's economic vitality;

(ii) Recommended goals, objectives, and priorities for the next biennium, and the future;

(iii) A common set of outcomes and benchmarks for the economic development system as a whole;

(iv) Recommendations for removing barriers and promoting collaboration among participants in the innovation ecosystem;

(v) An inventory of existing relevant programs compiled by the commission from materials submitted by agencies;

(vi) Recommendations for expanding, discontinuing, or redirecting existing programs, or adding new programs; and

(vii) Recommendations of best practices and public and private sector roles in implementing the comprehensive statewide economic development strategy.

(c) The report on progress from the previous comprehensive strategy must include information provided by associate development organizations as requested by the commission. The commission may include recommendations for associate development organizations in the report on progress or in the comprehensive statewide economic development strategy.

(5) In developing the biennial statewide economic development strategy, plans, inventories, assessments, and policy research, the commission must consult, collaborate, and coordinate with relevant state agencies, private sector businesses, nonprofit organizations involved in economic development, trade associations, associate development organizations, and relevant local organizations in order to avoid duplication of effort.

(6) State agencies and associate development organizations must cooperate with the commission and provide information as the commission may reasonably request.

(7) The commission must develop a biennial budget request for approval by the office of financial management. The commission must adopt an annual budget and work plan in accordance with the omnibus appropriations bill approved by the legislature.

(8)(a) The commission and its fiscal agent must jointly develop and adopt a memorandum of understanding to outline and establish clear lines of authority and responsibility between them related to budget and administrative services.

(b) The memorandum of understanding may not provide any additional grant of authorities to the commission or the fiscal agent that is not already provided for by statute, nor diminish any authorities or powers granted to either party by statute.

(c) Periodically, but not less often than biannually, the commission and fiscal agent must review the memorandum of understanding and, if necessary, recommend changes to the other party.

(d) As provided generally under RCW [43.162.015](#), the executive director of the commission must report solely to the governor and the commissioners on matters pertaining to commission operations.

(9) To maintain its objectivity and concentration on strategic planning, policy research and analysis, and evaluation, the commission may not take an administrative role in the delivery of services. However, subject to available resources and consistent with its work plan, the commission or the executive director may conduct outreach activities such as regional forums and best practices seminars.

(10) The commission must evaluate its own performance on a regular basis.

(11) The commission may accept gifts, grants, donations, sponsorships, or contributions from any federal, state, or local governmental agency or program, or any private source, and expend the same for any purpose consistent with this chapter.

[2012 c 195 § 3; 2011 c 311 § 5; 2009 c 151 § 9; 2007 c 232 § 4; 2003 c 235 § 3.]

---

43.162.025

Additional authority.

(1) Subject to available funds, the Washington state economic development commission may:

(a) Periodically review for consistency with the state comprehensive plan for economic development the policies and plans established for:

(i) Business and technical assistance by the small business development center, the Washington manufacturing service, the \*Washington technology center, associate development organizations, the department of commerce, and the office of minority and women-owned business enterprises;

(ii) Export assistance by the small business export finance assistance center, the international marketing program for agricultural commodities and trade, the department of agriculture, the center for international trade in forest products, associate development organizations, and the department of commerce; and

(iii) Infrastructure development by the department of commerce and the department of transportation; and

(b) Review and make recommendations to the office of financial management and the legislature on budget requests and legislative proposals relating to the state economic development system for purposes of consistency with the state comprehensive plan for economic development.

(2) The Washington state economic development commission must:

(a) In collaboration with the department of commerce and other partners, develop a plan for a consistent and reliable database on participation rates, costs, program activities, and outcomes from publicly funded economic development programs in this state by October 1, 2012;

(b) By October 1, 2012, establish standards for data collection and maintenance for providers in the economic development system in a format that is accessible to use by the commission. The commission must require a minimum of common core data to be collected by each entity providing economic development services with public funds and shall develop requirements for minimum common core data in consultation with the economic climate council, the office of financial management, and the providers of economic development services;

(c) Establish minimum common standards and metrics for program evaluation of economic development programs, and monitor such program evaluations; and

(d) Beginning no later than January 1, 2012, periodically administer, based on a schedule established by the commission, scientifically based outcome evaluations of the state economic development system including, but not limited to, surveys of industry associations, industry cluster associations, and businesses served by publicly funded economic development programs; matches with employment security department payroll and wage files; and matches with department of revenue tax files; and

(e) Evaluate proposals for expenditure from the economic development strategic reserve account and recommend expenditures from the account.

(3) The governor or legislature may direct the commission, from time to time, to undertake additional research and policy analysis, assessments, or other special projects related to its mission.

[2011 c 311 § 6; 2007 c 232 § 5.]

**Notes:**

**\*Reviser's note:** The Washington technology center was abolished by 2011 1st sp.s. c 14 § 17.

---

43.162.030

Authority of governor and department of commerce not affected.

Creation of the commission may not be construed to modify any authority or budgetary responsibility of the governor or the department of commerce.

[2011 c 311 § 7; 2007 c 232 § 7; 2003 c 235 § 4.]

---

43.162.040

Washington state economic development commission account.

(1) The Washington state economic development commission account is created in the state treasury. All receipts from gifts, grants, donations, sponsorships, or contributions under RCW [43.162.020](#) must be

deposited into the account. Moneys in the account may be spent only after appropriation. Expenditures from the account may be used by the Washington state economic development commission only for purposes related to carrying out the mission, roles, and responsibilities of the commission.

(2) Whenever any money, from the federal government or from other sources, that was not anticipated in the budget approved by the legislature, has actually been received and is designated to be spent for a specific purpose, the executive director must use the unanticipated receipts process as provided in RCW [43.79.270](#) to request authority to spend the money.

[2011 c 311 § 8.]